



Debt Judgments during the COVID-19 emergency

If you would like assistance, Neighborhood Legal Services is here to help you. Call 1-888-869-6576!

I have a judgment against me. Will I still have to pay during COVID-19?

It depends on who has the judgment. The federal and New York State governments have made some temporary changes during the emergency, but they are not permanent and do not affect all debts. Please note that debts for child support are NOT covered by most of these changes.

What debt collectors are impacted?

There are different types of debt collectors – the government, banks, and private companies. The debts can be for different things (consumer debts, like credit cards, student loan debts, unpaid medical bills, court fines and fees, etc.). You will need to know which kind of collector and what kind of debt you have to find out what help is available.

What has the government changed?

The federal government has stopped collecting federal debts through the Social Security Administration offset program. If your Social Security was being reduced because of a debt, it should temporarily go back up. The federal government has also suspended the tax offset program, so they will not take your tax return for federal debts you owe to them. The federal government has also issued guidelines to banks, asking the banks to work with customers who have been harmed financially by the Covid-19 pandemic, but the federal government has not told private banks and companies they cannot keep collecting for debts.

New York State has stopped collecting debts through the New York State Attorney General. If you were paying (through garnishment or direct payments) the Attorney General for student loan or medical debt, they have stopped collecting and you do not need to do anything. If you were paying the Attorney General for a different kind of debt you can apply to have the payments stopped during the emergency. The application is available at <https://ag.ny.gov/covid-19-debt-suspension-application> or you can call them (1 800 771-7755). The Attorney General has also suspended the New York tax offset program, so your state return should not be taken to cover state debts.

The New York Attorney General also protected federal stimulus payments from garnishment for money you may owe to private debt collectors, local governments, and

banks. This means your stimulus payment cannot be seized to repay a debt, including a judgment held by a county department of social services, except for unpaid child support.

Finally, New York State had directed banks to create hardship programs for customers having financial problems because of Covid-19. Banks must accept oral requests for help and create and advertise clear rules for their Covid-19 hardship programs.

Are there any local changes to debt collection?

Yes. While the Sheriff's office is still collecting garnishment and allowing debt collectors to submit requests by mail, all of the protections described on this page apply to them. So if you have a garnishment the Sheriff is collecting, you will still be able to keep the stimulus payment and your tax return. The City of Buffalo has suspended late fees and interest on traffic tickets and other city accounts.

Does the court closure have any impact on my debts?

While NYS courts are partially closed during the public health emergency, this closure will not have a direct impact on existing judgments. However, NYS courts are not accepting new cases so you should not be sued for any debts during the Covid-19 emergency. You may still get court papers once the emergency ends because the time limit for filing lawsuits has been extended by Executive Order.